VZCZCXYZ0000 RR RUEHWEB

DE RUEHPG #1450/01 3331523 ZNY CCCCC ZZH R 291523Z NOV 06 FM AMEMBASSY PRAGUE TO SECSTATE WASHDC 8287

CONFIDENTIAL PRAGUE 001450

SIPDIS

SIPDIS

EUR/NCE FOR ERIC FICHTE, G FOR PAUL LETTOW

E.O. 12958: DECL: 11/28/2016 TAGS: <u>PREL PGOV ECON EZ</u>

SUBJECT: SCENESETTER FOR U/S DOBRIANSKY'S VISIT TO PRAGUE

Classified By: Classified By: Ambassador Richard Graber for reasons 1.4 (b) & (d).

11. (C) Summary: Czechs marked the 17th anniversary of the Velvet Revolution in November. As you will see during your visit, the country has embraced a pro-transatlantic foreign policy, with the Czech government and NGOs playing a significant role in efforts to promote democratic transformation in Cuba, Belarus, Iraq, and elsewhere. Czech military reform is well advanced, and the Czech Republic is an active contributing member of NATO. The Czechs are becoming more confident operating within the EU, particularly on signature issues of democracy and human rights. The Czech economy is performing very well, with 6.1% growth in 2005 and strong investment inflows, despite incomplete structural reforms and persistent corruption. The June parliamentary elections resulted in a 100-100 left-right split that has, for more than six months, prevented the formation of a stable government, but has not yet significantly harmed the economy. Bilateral relations are healthy, with the question of the Czech desire to be part of the visa waiver program the only irritant. The USG may offer to base some or all of a U.S. missile defense system in the Czech Republic. Although the Czech government has signaled it would welcome such an offer (especially for just the radar portion of the system), recent polls suggest that the majority of the Czech public is still skeptical about hosting a missile defense base in the country. End summary.

A small transatlantic friend

 $\P 2$. (C) With the exception of the Czech Communist party, there is broad agreement across the Czech political spectrum about the importance of transatlantic relations. Likewise, with the notable exception of President Klaus, most Czechs broadly support the EU. Like other Central European states, the CR does not believe the two are incompatible. Czechs appreciate transatlantic ties as a way to balance their relations with Brussels, as well as for the values that they respect in U.S. foreign policy. They have made NATO their clear priority. As a small country, the Czechs are well aware of the need to prioritize their foreign and security policy activities, and have identified goals that broadly support USG objectives. They have embraced military reform and specialization within NATO, distinguishing themselves for their Nuclear, Biological, and Chemical Weapons (NBC), medical, and special forces capabilities. They have maintained a small but steady presence in Iraq, with nearly 100 military police training Iraq forces near Basra (extension of the deployment for next year is expected to pass in December). They give priority focus to the Balkans, where the Czechs have an average of a total of 600 troops in Bosnia and Kosovo. As described below, Czech government assistance strengthens civil society in the Balkans, Iraq, Cuba and other countries in transition.

Czechs know something about transformational diplomacy

- 13. (C) One legacy of the forty-year struggle against Communist dictatorship, and then of the long tenure of Vaclav Havel as president, is that support for democracy and freedom is a core principle of Czech foreign policy. Foreign Minister Alexandr (Sasha) Vondra is an ardent supporter, as is Petr Kolar, the Czech Ambassador to the U.S. The Czech MFA has established a "Transformation Cooperation Unit" within the ministry that funds programs to support civil society and democratic opposition in ten priority countries, including Cuba, Belarus, Iraq, the Balkans, Moldova/Transnistria and Burma. The MFA cooperates closely in this effort with Czech NGOs, notably People in Need (PIN), the largest NGO in Central Europe. PIN's former director, Tomas Pojar, is currently Deputy Foreign Minister for Bilateral Relations. Beyond their direct assistance, the Czechs use their diplomacy to influence EU and UN decisions to support reform, most famously their efforts to strengthen the EU common position on Cuba. Former President Havel supports the government effort through his own work on Cuba and Burma, and by sending inspirational messages through his organization International Committee for Democracy in Cuba (ICDC) (which will host a conference on Cuba in Berlin in Spring 2007).
- ¶4. (U) The Czech support for Radio Free Europe/Radio Liberty (RFE/RL) is another tangible example of their pro-democracy policies, and their shared belief in the value of spreading access to independent media to troubled regions in the Middle East, Russia, Eastern Europe, and Central Asia. At a meeting in May 2006, the Czechs presented USD \$1 million to Secretary Rice to help with the move of RFE/RL to a more secure location in Prague.
- 15. (U) We are coordinating with the Czechs through USAID (e.g., jointly supporting independent radio broadcasts to Belarus), but can always do more. For example, the Czechs have expressed interest in cooperating with the United States in an existing PIN capacity training program for Iraqi journalists, NGOs and civil officials, located for security reasons in Jordan.

Visas

- 16. (U) The only notable bilateral irritant is the visa issue. Citizens in all but one of the countries that were in the EU before the expansion of May 2004 (the "old" EU), can travel to the U.S. for short business/tourist visits without visas under the U.S. Visa Waiver Program (VWP). Americans can travel to the Czech Republic for short stays without visas. But Czechs and citizens of most of the "new" EU member states must apply for a visa for travel to the United States. Czechs believe they deserve VWP status as an EU and NATO member, and as a coalition ally. The visa refusal rate is currently around 10%, the lowest in the region but well above the 3% required for entry into VWP. Unfortunately, this has become a charged political issue, with both the Foreign Minister and Prime Minister using tough language in the press to address what they see as asymmetrical visa relations. The Czechs are working with the other new EU states to lobby the U.S. Congress to achieve a political solution to the problem. The Czechs are also pressing the EU to take a tougher line with the USG in negotiations on the issue.
- 17. (U) President Bush announced in Tallinn on November 28 that he would work for modification of the VWP to facilitate the inclusion of the new EU member states. Czech FM Vondra welcomed the announcement, and announced that he expects the Czech Republic to be included in the VWP within the next two years. Ambassador Kolar said more work is needed and plans more intensive lobbying efforts in Congress. In the meantime, the Embassy will continue to look for ways to make the experience of applying for a visa as pleasant and efficient as possible, and encourage the Czech government to work

towards achieving full compliance of all current or future VWP requirements.

Missile Defense

 $\P8$. (C) The U.S. is exploring the possibility of locating a base to provide missile defense for the U.S. and Europe in the Czech Republic and/or Poland. The issue has proved divisive in Czech politics, particularly since it evokes memories of Soviet missiles that were forcibly stationed in the country during the Cold War. The ODS party under the leadership of current Prime Minister Topolanek continues to advocate Czech participation in the missile defense system. Foreign Minister Vondra is also an outspoken proponent. However, there is significant opposition to missile defense from the Communist-run "No to Bases" campaign, and from politicians who would seek to turn public discomfort with the possible presence of foreign troops into short-term political advantage. Former Prime Minister Jiri Paroubek, of the center-left CSSD party, has made repeated public calls for a referendum on the issue of a missile base. (Most politicians privately agree that a referendum on missile defense will never happen.) However, Paroubek has privately expressed support for a U.S. radar facility (as opposed to the interceptors), and stated that a radar base would not require a referendum. Recent polling data has shown that a slim majority of Czechs still oppose missile defense in the country, although there is no opinion data on the possibility of a radar. The Pentagon is expected to make a decision on where to base the two missile defense elements before the end of the year.

Internal Politics

¶9. (C) The June 2-3 general election resulted in a deadlocked parliament with the 200-seat chamber split evenly between the left-of-center parties with 100 seats and the center-right parties with 100 seats. The strongly pro-American Civic Democrats (ODS), which came in first with 81 seats, have been unable to form a government that can pass a vote of confidence. On October 3 its first attempt fell three votes short of the 101 needed. ODS Chairman and acting Prime Minister Mirek Topolanek is currently making his second attempt. The Czech constitution allows three attempts and does not impose deadlines on the process. There is no way of

predicting how long the current uncertainty will continue. Whatever solution is devised for the standoff in Parliament, it is unlikely to lead to a government with a mandate strong enough to pursue the needed but controversial reforms. Early elections are still possible.

Talking Points During Your Visit

- $\P 10.$ (U) During your visit, you may wish to focus on the following points:
- (a) Promotion of Democracy and Human Rights:
- -- We applaud Czech efforts to foster democratic transformations in Cuba, Iraq, Belarus, Burma, and the Balkans.
- -- We thank the Czechs for their generous humanitarian aid and development assistance in Lebanon, Iraq, Afghanistan, and Kosovo.
- -- We appreciate the Czechs principled and consistent advocacy for human rights within the UN Human Rights Council and the UN General Assembly Third Committee.
- -- We are grateful the Czechs have hosted Radio Free

Europe/Radio Liberty for 10 years, and for the Czechs' generous donation of \$1 million toward the relocation of RFE/RL to its new location in Prague.

- $\mbox{--}$ We support these efforts and will continue to coordinate closely with the Czechs.
- (b) Military Cooperation: We appreciate Czech support for U.S. and NATO efforts in Iraq, Afghanistan, and Kosovo, and our continued cooperation in the field of non-proliferation.
- (c) Missile Defense: The USG has not made a decision on where to locate the proposed Central European missile defense assets. However, if and when an offer is made to base assets in the Czech Republic, the ultimate decision on whether to host a base will be up to the Czechs.

 GRABER